

April 24, 2012

By electronic mail

Mr. Daniel Hancock Chair, Little Hoover Commission 925 L Street, Ste 805 Sacramento, CA 95814

Re: Reorganization of the Delta Stewardship Council

Dear Chairman Hancock,

We have been requested to provide our views on the Government Reorganization Plan 2012 proposal to merge the Delta Stewardship Council (Council) into the Natural Resources Agency. Because we believe this merger would be contrary to the consensus spirit of the Delta Reform legislative package of 2009, and would undermine the important independent role of the Council, we urge you to recommend that the Administration reconsider, and recommend further that the Legislature retain the current Council structure.

EDF had the opportunity to work with legislative leaders and a number of stakeholders and the in the development of the DSC's authorizing legislation, SB 7X1, and the creation of the Council in particular. A key element in that development was the agreement that an independent Council would be essential to ensure future success in coordinating the myriad agencies with authority of one kind or another in the Delta. This independence is a critical feature in light of the Council's role as an appellate body. The Delta Reform legislation was specifically intended to implement one of the core recommendations of the Delta Vision Task Force, that it is "essential to have an independent body with authority to achieve the co-equal goals" (Delta Vision Final Strategic Plan, p. 2.)

This is a conclusion various scholars and reviewers have reiterated. Moreover, to date it appears that the Council is functioning much as the legislation envisioned, and we concur with the position of Council Members Phil Isenberg and Randy Fiorini that if the statutory designation of the Council as an independent agency is to have meaning, then it should be supported in appearance as well as substance and form. In our view, the merger proposal could undermine progress toward resolving Delta conflicts for a number of reasons:

- Undercuts the Council's potential appellate role with regard to the Bay Delta Conservation Program, and other appellate reviews, at least in appearance.
- Calls into question the autonomy of the Independent Science Review Board which is intended to report to the Council, and not the agencies either proposing or permitting the Project, which reside under the Natural Resources Agency umbrella.

• Complicates the Council's coordinating role for state agencies on implementation of the Delta Plan once complete.

Finally, it is not clear what problem is intended to be solved by the proposed merger. As indicated above, one of the few consensus recommendations to have emerged in the various reviews of Delta conflicts and challenges, is the need for an independent and credible entity with sufficient authority to coordinate and address the many competing mandates and demands made on this extraordinary region and ecosystem. The legislature's experiment with the Delta Stewardship Council is still young, and we believe it is performing well under considerable pressure. We recommend that your Commission continue to support it, particularly at this crucial juncture in the development of both the Delta Plan and the BDCP.

I am sorry that I cannot present these comments in person; as I indicated to Executive Director Stuart Drown, a set of prior commitments precludes my attending your meeting tomorrow. Please let me know if you have any questions about the points raised in this letter. I am available of course to meet with you and your staff at any time.

Thank you very much for your consideration of our views on this important matter.

Sincerely,

Cynthia Koehler California Water Legislative Director

cc: Hon. John Laird, Natural Resources Secretary Phil Isenberg, Chair, Delta Stewardship Council Stuart Drown, Executive Director, Little Hoover Commission